



**GOVERNMENT OF TELANGANA
ABSTRACT**

The Telangana Contingency Fund Act, 2014- Rules – Orders - Issued.

FINANCE (BG) DEPARTMENT

G.O.MS.No. 10.

Dated: 30-01-2015

Read :-

Act No.2 of 2014

* * * * *

ORDER:

The following notification will be published in the Telangana State Gazette.

NOTIFICATION

In exercise of the powers conferred by section 3 of the Telangana Contingency Fund Act, 2014, the Governor of Telangana hereby makes the following rules.

RULES

1. These Rules may be called the "Telangana Contingency Fund Rules, 2015".
2. The Telangana Contingency Fund shall be held by the Secretary to the Government, Finance Department on behalf of the Government of Telangana.
3. No advance shall be made out of the Contingency Fund of the State except for the purpose of meeting unforeseen expenditure including expenditure on a new service not contemplated in the annual financial statement pending authorization of such expenditure by the State Legislature under appropriations made by Law.
4. No sanction shall be accorded in the course of a year to a scheme treated at "New Service" without obtaining the previous sanction of the Legislature by presenting a supplementary estimate for the amount required for expenditure on the scheme during the year. If, however, introduction of the scheme is extremely urgent, it cannot be delayed and the expenditure sanctioned being met as an advance taken from the Telangana Contingency Fund, pending approval of the Legislature. In such cases, the order & sanctioning the scheme shall specifically state that the expenditure will be debited to the appropriate heads of account, initially met by an advance from the Contingency Fund and that orders in this regard will be issued separately by the Finance Department. A copy of the order as soon as it is issued, shall be sent to the Finance Department with the following information for the purpose of sanctioning the required advance from the Contingency Fund.

(1) the circumstances in which the provisions could not be included in the Annual Budget.

(2) the reasons for which the expenditure cannot be postponed till the voting of the supplementary grant.

(3) the full cost of the proposals for the remaining part of the financial year.

(4) the amount required to be advanced out of the Contingency Fund.

(5) The grant or appropriation to which the expenditure is debitable also indicating the classification of the expenditure in the same detail as it would have been shown if it had been met out of the Consolidated Fund. No expenditure should be incurred until the advance is sanctioned from the Contingency Fund by Government.

5. All orders of sanctioning advance from the Contingency Fund shall issue as orders of the Governor. The order of sanctioning the advance shall specify the amount, the grant or appropriation to which it relates. The number and date of the order sanctioning the scheme, and brief description of the scheme and a copy of the same shall be forwarded by the finance Department to the Accountant-General, Telangana, with a copy to the Administrative Department.

Note:- (1) When an advance is sanctioned from the Contingency Fund, the amount shall continue to remain physically as a part of that fund and shall not go out of it till it is actually withdrawn and spent on the specific purpose for which the advance is sanctioned.

Note:- (2) The orders authorizing an advance from the Contingency Fund, unless it is cancelled as per rule 10 during the interval, shall not lapse with the close of the year, but shall lapse as soon as the Supplementary appropriation Act, incorporating the Grants Authorized in the Legislature is passed and becomes Law.

6. Actual expenditure incurred against advance from the Contingency Fund shall be accorded in the account relating to the Contingency Fund in the same details as it would have been shown if it had been paid out of the Consolidated Fund of the State. The instructions issued by the Accountant General regarding the accounting procedure for expenditure met out of advances from the Contingency Fund of Telangana should be strictly followed by all Heads of Departments and other controlling officers.

7. (1) Supplementary estimates for all expenditure so financed shall be presented before the State Legislature on first, second or subsequent sessions, as may be practicable, summoned to meet immediately after the advance is sanctioned.

¹[Unless such advance has been resumed to the Contingency Fund in accordance with the provisions of sub-rule(2)].

(2) As soon as the State Legislature has authorized the additional expenditure by including it in any supplementary Appropriation Act, the advance or advances made from the Contingency Fund, whether for meeting the expenditure incurred before the Supplementary Estimates were presented to the State Legislature or after they were so presented, shall be resumed to the Fund to the full extent of the appropriation made in the Act.

Note:- (1) While presenting to the State Legislature estimates for expenditure financed from the Contingency Fund, a note to the following effect shall be appended to such estimates.

"A sum of Rs. has been advanced from the Contingency Fund and equivalent amount is required to enable repayment to be made to the Fund"

Note:- (2) If the expenditure on a "New Service" not contemplated in the Annual Financial Statement can be met wholly or partly from savings within the grant, the note to be appended to the estimate shall be in the following form;

The expenditure is on a "New Service," a sum of Rs. has been advanced from the Contingency Fund in and an equivalent amount is required to enable repayment to be made to that Fund.

"The amount/a part of that amount viz., Rs. can be found by re-appropriation of savings within the grant and therefore a vote is required for a token sum of Rs.100 only the balance of Rs. only".

8. In case in which it becomes absolutely necessary to sanction advances from the Contingency Fund because of the emergency nature of such charges, although there is no possibility of advances being recouped within the same financial year, it shall be necessary to make provision in the next financial year for the amount to be recouped from the Contingency Fund in respect of expenditure for which supplementary funds were not provided during the course of the year itself. In all such cases provision shall be made against the appropriate minor head for the service in question under the Major Head concerned under which the expenditure was incurred in the previous year from the contingency fund. The fact that the provision represents recoupment of advance sanctioned during the preceding financial year shall be fully explained in the explanatory note pertaining to the grant concerned.

9. The administrative Departments of the Secretariat shall be responsible for sending details of advances sanctioned from Contingency Fund to the Finance Department and the proposal for supplementary estimates for recoupment of advances from the Contingency Fund.

10. If, in any case, after issue of the orders sanctioning an advance from the Contingency Fund in accordance with rule 5 and it is found that the advance sanctioned remains wholly or partly unutilized as applicable, the sanctioning authority shall cancel or modify the sanction as the case may be. Further action will be taken as per paras 7 and 8 for sanction of the amount.

11. A copy of the order resuming the advance will give the reference of the number and date of the order in which the original advance was made shall be forwarded by the Finance Department to the Accountant General, Telangana at Hyderabad with copy to the Administrative Department concerned.

12. The account of the transactions of the Contingency Fund shall be maintained by the Finance Department in Form 'A' annexed to these rules.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF TELANGANA)

**V.NAGIREDDY
PRINCIPAL SECRETARY TO GOVERNMENT**

To

The Accountant General (A&E), Telangana, Hyderabad (20 copies).

All the Heads of Departments and Estimating Officers.

The Director of Treasuries & Accounts, Telangana, Hyderabad.

The Pay and Accounts Officer, Hyderabad (10 copies).

The Director Works and Accounts, Telangana, Hyderabad.

All the Collectors and District Magistrates in the State.

All the Deputy Directors and District Treasury Officers.

The Secretary to Government of India, Ministry of Finance, New Delhi.

The Comptroller and Auditor General of India, New Delhi.

All the Departments of Secretariat (5 copies each).

Copy to:

The Accountant General (A&E) Telangana, (byname cover).

The Registrar General, High Court of Judicature at Hyderabad for the States of Telangana and Andhra Pradesh

All Officers and all Sections in Finance Department.

SF/Sc.

// FORWARDED :: BY ORDER //

SECTION OFFICER